

## Message Text

PAGE 01 TOKYO 10570 01 OF 02 010110Z

63

ACTION OES-05

INFO OCT-01 EA-10 ISO-00 FEA-01 ACDA-10 CIAE-00 INR-07

IO-10 L-03 NSAE-00 NSC-05 EB-07 NRC-07 DODE-00

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P 311120Z JUL 75

FM AMEMBASSY TOKYO

TO USERDA GERMANTOWN PRIORITY

INFO SECSTATE WASHDC 2120

UNCLAS SECTION 1 OF 2 TOKYO 10570

ERDA FOR A.S. FRIEDMAN,, J. GARRETT

E.O. 11652: N/A

TAGS: TECH, JA

SUBJECT: REASSIGNMENT TEPCO ENRICHMENT CONTRACT - KANSAI

REF: 1. TOKYO 10090 2. TOKYO 10390 3. TOKYO 10471

FOLLOWING IS DRAFT THREE-PARTY AGREEMENT BETWEEN TOKYO  
ELECTRIC POWER COMPANY, KANSAI ELECTRIC POWER COMPANY AND  
ERDA CONSENTING TO REASSIGNMENT TEPCO CONTRACT NO.  
AT(49-14)UES/JA/122, FOR TOKYO NO. 18 TO KANSAI FOR KANSAI  
NO. N6.

QUOTE:

CONSENT TO ASSIGNMENT OF ERDA AGREEMENT  
AND AMENDMENT OF ERDA AGREEMENT

THIS AGREEMENT ENTERED INTO THIS DAY OF AUGUST,  
1975 BY AND BETWEEN THE KANSAI ELECTRIC POWER CO., INC. OF  
JAPAN, (HEREINAFTER REFERRED TO AS THE "ASSIGNEE"); THE  
TOKYO ELECTRIC POWER CO., INC. OF JAPAN (HEREINAFTER REFERRED  
TO AS THE "ASSIGNOR"); AND THE UNITED STATES OF AMERICA  
(HEREINAFTER REFERRED TO AS THE "GOVERNMENT"), AS REPRESENTED  
BY THE UNITED STATES ENERGY RESEARCH AND DEVELOPMENT ADMINIS-  
UNCLASSIFIED

PAGE 02 TOKYO 10570 01 OF 02 010110Z

TRATION (HEREINAFTER REFERRED TO AS "ERDA");

WITNESSETH THAT:

WHEREAS, ASSIGNOR HAS ENTERED INTO A LONG-TERM, FIXED-COMMITMENT AGREEMENT NO. AT(49-14)UES/JA/122 (THE "ERDA AGREEMENT") WITH ERDA FOR FURNISHING URANIUM ENRICHMENT SERVICES FOR THE ASSIGNOR'S PROJECTED TOKYO NO. 18 NUCLEAR POWER FACILITY ALL OF WHICH ARE IN EXCESS OF THIS PRESENT NEEDS; AND

WHEREAS, ASSIGNEE HAS A NEED FOR AND DESIRES TO OBTAIN URANIUM ENRICHMENT SERVICES, AND ASSIGNOR DESIRES TO ASSIGN ITS RIGHTS TO OBTAIN URANIUM ENRICHMENT SERVICES UNDER THE ERDA AGREEMENT AND TO RECEIVE TITLE TO THE ENRICHED URANIUM RESULTING THEREFROM, ON THE TERMS AND CONDITIONS HEREIN SET FORTH; AND

WHEREAS, THE ASSIGNOR AND ASSIGNEE HAVE ENTERED INTO AN AGREEMENT OF ASSIGNMENT UNDER WHICH THE ASSIGNOR HAS ASSIGNED TO THE ASSIGNEE ALL OF THE ASSIGNOR'S RIGHT, TITLE, AND INTEREST IN THE ERDA AGREEMENT;

WHEREAS, THE ASSIGNEE HAS, IN THE AGREEMENT OF ASSIGNMENT, AGREED TO ASSUME, BE BOUND BY AND PERFORM EACH AND EVERY ONE OF THE TERMS, COVENANTS, AND CONDITIONS OF THE ERDA AGREEMENT;

WHEREAS, IT IS CONSISTENT WITH THE GOVERNMENT'S INTEREST TO RECOGNIZE THE ASSIGNEE AS THE SUCCESSOR PARTY TO THE ERDA AGREEMENT; AND

WHEREAS, THIS AGREEMENT IS AUTHORIZED BY LAW, INCLUDING THE ATOMIC ENERGY ACT OF 1954, AS AMENDED;

NOW, THEREFOR, IN CONSIDERATION OF THE PROMISES CONTAINED HEREIN, THE PARTIES HERETO AGREE AS FOLLOWS:

1. ERDA HEREBY CONSENTS TO THE ASSIGNMENT OF THE ERDA AGREEMENT FROM THE ASSIGNOR TO THE ASSIGNEE UNDER THE FOLLOWING UNDERSTANDINGS AND CONDITIONS. THIS CONSENT AND ATTACHMENT I SHALL BECOME EFFECTIVE UPON RECEIPT BY ERDA OF WRITTEN NOTIFICATION FROM BOTH THE ASSIGNOR AND THE ASSIGNEE THAT:  
1) ALL THE CONDITIONS OF THE ASSIGNMENT AND THE COMMERCIAL UNCLASSIFIED

PAGE 03 TOKYO 10570 01 OF 02 010110Z

AGREEMENT HAVE BEEN SATISFIED; AND 2) NEITHER THE ASSIGNOR NOR THE ASSIGNEE HAVE ACTED TO ALTER THE RECITATIONS OR WARRANTIES SET FORTH IN THE ASSIGNMENT, THE COMMERCIAL AGREEMENT OR THIS AGREEMENT.

2. ERDA UNDERSTANDS THAT THE ASSIGNEE, UNDER THE AGREEMENT OF ASSIGNMENT, BECOMES ENTITLED TO ALL RIGHT, TITLE, AND INTEREST OF THE ASSIGNOR IN AND TO THE ERDA AGREEMENT AS HEREIN AMENDED IN ALL RESPECTS AS IF THE ASSIGNEE WERE THE ORIGINAL PARTY TO SAID AGREEMENT, AND THE TERM "CUSTOMER" AS USED IN THE ERDA AGREEMENT IS DEEMED TO REFER TO THE ASSIGNEE RATHER THAN TO THE ASSIGNOR.

3. THE ASSIGNOR WARRANTS TO THE GOVERNMENT, ERDA, AND PERSONS ACTING ON BEHALF OF ERDA, THAT IT HAD ALL RIGHT, TITLE AND INTEREST IN AND TO THE ERDA AGREEMENT IMMEDIATELY PRIOR TO THE ASSIGNMENT THEREOF, THAT IS IS DULY AUTHORIZED TO ASSIGN THE SAME, AND THAT NO OTHER PERSON HAS ANY PENDING OR IMPENDING CLAIM AGAINST ASSIGNOR WITH RESPECT THERETO, AND FURTHER WARRANTS THAT THE ASSIGNMENT OF THE ERDA AGREEMENT IS NOT SUBJECT TO AND IS FREE FROM ANY SECURITY INTEREST OR OTHER LIEN OR ENCUMBRANCE. FOR BREACH OF THIS WARRANTY, ASSIGNOR HEREBY AGREES TO INDEMNIFY AND HOLD THE GOVERNMENT, ERDA, AND PERSONS ACTING ON BEHALF OF ERDA, HARMLESS AGAINST ANY AND ALL CLAIMS, DEMANDS AND LIABILITIES OF WHATSOEVER NATURE AGAINST THEM ARISING FROM SUCH BREACH. ASSIGNOR MAKES NO OTHER WARRANTY WHETHER EXPRESSED, IMPLIED OR STATUTORY. SPECIFICALLY, BUT WITHOUT IMPLIED LIMITATION, ASSIGNOR SHALL HAVE NO OTHER LIABILITY OR RESPONSIBILITY FOR, AND ERDA GRANTS ASSIGNOR A FULL RELEASE WITH RESPECT TO CLAIMS, DEMANDS OR LIABILITIES WHETHER ARISING OUT OF THE ASSIGNMENT, OR ARISING OUT OF PERFORMANCE OR NON PERFORMANCE, AMENDMENT, OR TERMINATION OR, OR EXTENSION OR DEFERRAL OF DELIVERIES UNDER, THE ASSIGNED ERDA AGREEMENT BY ANY PARTY.

4. ASSIGNOR HEREBY RELEASES AND DISCHARGES THE UNITED STATES GOVERNMENT AND ERDA FROM, AND DOES HEREBY WAIVE, ANY AND ALL CLAIMS, DEMANDS AND RIGHTS AGAINST SAID GOVERNMENT OR ERDA WHICH IT NOW HAS OR MAY HEREAFTER HAVE IN CONNECTION WITH THE ASSIGNMENT OF THE ERDA AGREEMENT.

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PAGE 04 TOKYO 10570 01 OF 02 010110Z

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PAGE 01 TOKYO 10570 02 OF 02 010125Z

63  
ACTION OES-05

INFO OCT-01 EA-10 ISO-00 FEA-01 ACDA-10 CIAE-00 INR-07

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TO USERDA GERMANTOWN PRIORITY  
INFO SECSTATE WASHDC 2121

UNCLAS SECTION 2 OF 2 TOKYO 10570

5. THE ASSIGNEE HEREBY RATIFIES AND CONFIRMS ALL ACTIONS HERETOFORE TAKEN BY THE ASSIGNOR WITH RESPECT TO THE ERDA AGREEMENT WITH THE SAME FORCE AND EFFECT AS IF THE ACTION HAD

BEEN TAKEN BY THE ASSIGNEE.

6. THE ERDA AGREEMENT IS REDESIGNATED AS CONTRACT NO. AT(49-14)UES/JA/ AND THE GOVERNMENT, ERDA AND THE ASSIGNEE DO HEREBY AGREE THAT THE ERDA AGREEMENT IS AMENDED IN ACCORDANCE WITH ATTACHMENT I ATTACHED HERETO.

7. EXCEPT AS HEREIN MODIFIED, THE ERDA AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT AS OF THE DAY AND YEAR FIRST ABOVE WRITTEN.

UNITED STATE OF AMERICA

BY: UNITED STATES ENERGY RESEARCH  
AND DEVELOPMENT ADMINISTRATION  
BY:

THE TOKYO ELECTRIC POWER COMPANY, INC. THE KANSAI ELECTRIC POWER  
COMPANY, INC. COMPANY, INC.  
BY: BY:  
TITLE: TITLE:

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PAGE 02 TOKYO 10570 02 OF 02 010125Z

ATTACHMENT I

A. THE FOREWORD IS AMENDED TO READ AS FOLLOWS:

THIS AGREEMENT, ENTERED INTO THIS 14TH DAY OF AUGUST, 1974, BY AND BETWEEN THE UNITED STATES OF AMERICA (HEREINAFTER REFERRED TO AS THE "GOVERNMENT"), AS REPRESENTED BY THE UNITED STATES ATOMIC ENERGY COMMISSION (HEREINAFTER REFERRED TO AS THE "COMMISSION"), AND THE KANSAI ELECTRIC POWER CO., INC. (HEREINAFTER REFERRED TO AS THE "CUSTOMER"), PURSUANT TO THE AGREEMENT FOR COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF JAPAN CONCERNING CIVIL USES OF ATOMIC ENERGY (HEREINAFTER REFERRED TO AS THE "AGREEMENT FOR COOPERATION");

B. ARTICLE II. SECTION 1. IS AMENDED BY DELETING THE PHRASE "TOKYO NO. 18" AND BY INSERTING IN LIEU THEREOF THE PHRASE "KANSAI N-6".

C. ARTICLE II. SECTION 2. SUBSECTION A IS AMENDED TO READ AS FOLLOWS:

2. A. THE CUSTOMER INTENDS THAT THE PROPOSED FACILITY SHALL HAVE A RATED GENERATING CAPACITY OF NOT LESS THAN 900 GROSS MWE OR MORE THAN 1100 GROSS MWE. THE PURPOSE OF SUCH SPECIFICATION OF SIZE RANGE OF THE PROPOSED FACILITY

IN THIS AGREEMENT IS TO ESTABLISH: (I) THE AMOUNT OF THE ADVANCE PAYMENT WHICH THE CUSTOMER SHALL MAKE IN ACCORDANCE WITH ARTICLE VIII, SECTION 1. OF THIS AGREEMENT; AND, UNLESS REVISED PURSUANT TO SUBSECTIONS 2.B OR 2.C. BELOW, (II) THE GROSS MWE LIMIT WITHIN WHICH THE PARTIES SHALL AGREE UPON THE NUMBER OF SEPARATIVE WORK UNITS ESTIMATED TO BE NECESSARY TO SUPPORT THE DESIGNATED FACILITY IN ACCORDANCE WITH SECTIONS 3. AND 4. BELOW.

D. ARTICLE II, SECTION 2. SUBSECTION B. IS AMENDED TO READ AS FOLLOWS:

B. IN THE EVENT THE RATED MWE GENERATING CAPACITY OF THE DESIGNATED FACILITY IS IN EXCESS OF THE UPPER LIMIT OF THE GROSS MWE RANGE SPECIFIED ABOVE, THE COMMISSION SHALL UNCLASSIFIED

PAGE 03 TOKYO 10570 02 OF 02 010125Z

HAVE THE OPTION OF (I) INCREASING THE UPPER GROSS MWE LIMIT CONTAINED IN SUBSECTION 2.A. ABOVE AND AGREEING TO PROVIDE ANY RESULTING INCREASE IN THE NUMBER OF SEPARATIVE WORK UNITS ESTIMATED TO BE NECESSARY TO SUPPORT THE DESIGNATED FACILITY OR (II) AGREEING TO PROVIDE FOR THE REQUIREMENTS OF THE DESIGNATED FACILITY ONLY THE NUMBER OF SEPARATIVE WORK UNITS REQUIRED FOR SUCH FACILITY WITHIN THE MAXIMUM GROSS MWE GENERATING CAPACITY INITIALLY SPECIFIED IN SUBSECTION 2.A. ABOVE. SUCH LATTER QUANTITY OF SEPARATIVE WORK SHALL BE DETERMINED BY MULTIPLYING THE ESTIMATED REQUIREMENTS OF THE DESIGNATED FACILITY BY THE RATIO OF THE UPPER GROSS MWE LIMIT SPECIFIED IN SUBSECTION 2.A. ABOVE TO THE RATED MWE GENERATING CAPACITY OF THE DESIGNATED FACILITY. UPON ELECTRION BY THE COMMISSION TO INCREASE THE UPPER GROSS MWE LIMIT CONTAINED HEREIN AS PROVIDED ABOVE, THE ADVANCE PAYMENT TO BE MADE BY THE CUSTOMER SHALL BE ADJUSTED AS PROVIDED IN ARTICLE VIII, SECTION 1.

E. ARTICLE II, SECTION 2. SUBSECTION C. IS AMENDED TO READ AS FOLLOWS:

C. IN THE EVENT THE RATED MWE GENERATING CAPACITY OF THE DESIGNATED FACILITY IS LESS THAN THE LOWER LIMIT OF THE GROSS MWE RANGE SPECIFIED IN SUBSECTION 2.A. ABOVE, THE ADVANCE PAYMENT TO BE MADE BY THE CUSTOMER SHALL BE ADJUSTED IN ACCORDANCE WITH ARTICLE VIII, SECTION 1., AND BOTH GROSS MWE LIMITS CONTAINED IN SUBSECTION 2.A. ABOVE SHALL BE DECREASED ACCORDINGLY.

F. ARTICLE II, SECTION 3 IS AMENDED BY DELETING THE DATE "SEPTEMBER 1, 1981" AND BY INSERTING IN LIEU THEREOF THE DATE "SEPTEMBER 1, 1984".

G. ARTICLE II, SECTION 3. SUBSECTION A. IS AMENDED BY DELETING

THE DATES "SEPTEMBER 1, 1981" AND "JUNE 30, 1992" AND BY  
INSERTING IN LIEU THEREOF THE DATES "SEPTEMBER 1,  
1984" AND "SEPTEMBER 30, 1995", RESPECTIVELY.

H. ARTICLE II, SECTION 3. SUBSECTION A. ITEM (1) IS AMENDED  
BY DELETING THE DATES "SEPTEMBER 1, 1981" AND "AUGUST 31,  
UNCLASSIFIED

PAGE 04 TOKYO 10570 02 OF 02 010125Z

1982" AND BY INSERTING IN LIEU THEREOF THE DATES  
"SEPTEMBER 1, 1984" AND "AUGUST 31, 1985",HRESPECTIVELY.

I. ARTICLE II, SECTION 3. SUBSECTION B. IS AMENDED BY  
DELETING THE DATE "AUGUST 31, 1982" AND BY INSERTING IN  
LIEU THEROF THE DATE "AUGUST 31, 1985".

J. ARTICLE II, SECTION 4 IS AMENDED BY DELETING THE WORDS  
"LIMIT" AND "IT" AND BY INSERTING IN LIEU THEREOF THE  
WORDS "LIMITS" AND "THEY".

K. ARTICLE II, SECTION 6 IS AMENDED BY DELETING THE DATE  
"JANUARY 1, 1980" AND BY INSERTING IN LIEU THEREOF THE  
DATE "JANUARY 1, 1983".

L. ARTICLE VIII, SECTION 1. IS AMENDED BY DELETING THE PHRASE  
"THE GROSS MWE LIMIT" AND BY INSERTING IN LIEU THEREOF  
THE PHRASE "THE UPPER LIMIT OF THE GROSS MWE RANGE".

M. ARTICLE IX. SECTION 3 IS AMENDED BY DELETING THE PHRASE  
"THE GROSS MWE LIMIT" AND BY INSERTING IN LIEU THEREOF THE  
PHRASE "THE UPPER LIMIT OF THE GROSS MWE RANGE".

N. ARTICLE XI IS AMENDED BY REVISING THE ADDRESSES FOR  
NOTICES TO READ AS FOLLOWS:

TO THE COMMISSION: DIRECTOR  
DIVISION OF INTERNATIONAL ROGRAMS  
UNITED STATES ENERGY RESEARCH AND  
DEVELOPMENT ADMINISTRATION  
WASHINGTON, D.C. 20545

TO THE CUSTOMER: MANAGER, FUEL DEPARTMENT  
THE KANSAI ELECTRIC POWER CO., INC.  
5, NAKANOSHIMA 3-CHOME  
KITA-KU, OSAKA, JAPAN

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 26 AUG 1999  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CONTRACTS, NUCLEAR FUELS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 31 JUL 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
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**Document Source:** ADS  
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**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** n/a  
**Film Number:** D750265-0549  
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**Handling Restrictions:** n/a  
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**Office:** ACTION OES  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** hartledg  
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06 JUL 2006

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**Review Transfer Date:**  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** n/a  
**TAGS:** TECH, JA, TEPCO  
**To:** USERDA GERMANTOWN INFO STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006